

Start with the Ajarn. Nessara Sukpanich about international trade and FDI. Where Ajarn make us to do the group activity and discuss about the CLMV trade with the rest of the world and then break down to the CLMV trade with Thailand and then move to Inward FDI in CLMV and the Thai direct investment in CLMV. First of all, CLMV trade with the rest of the world most of the counties run the trade deficit except Vietnam which is try to keep the balance between export and import. On CLMV trade with Thailand, Thailand has play the important role in some county like LAO PDR where Thailand is the main export market behind China and the first import source, while other counties like Cambodia , Myanmar , Vietnam has not much impact as in LAO PDR. On the third topic Inward FDI in CLMV where Vietnam coming with the first place on Foreign Direct investment and Myanmar , Cambodia , Lao PDR respectively. Which the key investors in this region is China , South Korea, Singapore and also Thailand. Fourth topic is about Thai direct investment in CLMV where the key important investment sector is wholesale and retail trade and industry.

On the afternoon class, it is about Marketing and Branding strategies in CLMV by Ajarn. Suwalaya (BBA) . the detail is about how CLMV use which strategy to gain the market share from the local group. But the interesting case is that the Kentucky fried chicken (KFC) has just open the first branch in Myanmar and the respond is very worthy since on the first day of opening many of customer has come and try the fired chicken and the feed back is very good. For example, the customer said the television that it give more variety of food and then the reporter asking the customer what they will suggest whether the local food or KFC, with out thinking most of the customer choose KFC since the first try.

Tapfa Vatanyootaweewat  
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In conclusion, CLMV group has a room to growth the economy and expand the market to other counties as well, And FDI is one of the factor that drive the economy in a ways that FDI is also try to gain the market share.

Start with the morning class it is about “ Logistic and Supply Chain Development in ASEAN : International Logistics and Cross Border trade ” by Ajarn. Suthep Nimsai. The first activity is that Ajarn. Suthep let us brainstorm and discussing among our group about ASEAN Logistics , Cross Border trade and develop and Major Cross Border trade factors by providing the positioning map which are Mega trends and supply chain where innovation and technology play a crucial role as the cost reduction. For example, IT and OT (information technology and Operational technology) which it can relate to fourth industries revolution as well. And the also the topic call 3 flows of logistic 1.) people 2.) product 3.) capital. Start with the people or in a way we call it as tourists , tourism industry has been the key income of Thailand where most of the tourists is from china, but lately china business try to expand the market and seek out the benefit from our counties. For example, Tour zero baht that has been use our natural resource to maximize their own utility and the rest is negative externalities. On Product Thailand has been very attractive by food and agricultural product with the well know fruit, there are many type of fruit like durian , mango , passion fruit. Thailand were also heavy export the agricultural product. And the last is Capital investment. Now not only Thailand that own land and production in Thailand but there are chicness business men that start to gain the market share of agricultural product as well , since there have the capital advantage and customer in there hand. This were the main factor that drive economic and logistic to growth. And EEC or East Economic Corridor will help to boost the economic and the basic infrastructure as well since it is in the Thailand strategy roadmap.

In conclusion , good logistics and basic transportation help the FDI to invest in Thailand beside from the political factors and labor cost factors .We can imply that Chinese are the main investor in Thailand and start to take the market share in that sectors

The morning class is conducted by Ajarn. Anin, My reaction on “Heckscher Ohlin model” it is the general equilibrium mathematical of international trade which is based on the factor endowments in different regions by using the comparative advantage of each country. In my opinion, the evidence that supports the Heckscher – Ohlin model is that in the “Linder Hypothesis” to make long story short, it is the similar per capita income countries will trade with each other. Meanwhile on the second topic which is “Dutch disease” it is the growth in economic within specific sector and decline on other sector. For example, find the natural gas or natural resource. Which in this era Thailand has faced the Dutch disease problem, since Thai baht has appreciated for the last recent year. We can see this as the good sight of economic being developed but on the other hand it means that Thailand gradually declined our competitiveness, where our goods and raw materials will be more expensive than neighboring countries. It can imply that FDI likely to invest in other countries like Lao PDR, Vietnam, Cambodia. For now, Thailand must escape from this disease or else will lose the competitiveness to our neighboring countries. Third topic of this lecture is “Kuznets theory” it is the hypothesis that first of the economy is increase and suddenly decrease in inequality where it is related to the economic growth and pollution of the countries but the problem is we can not define the inflection point. But my reaction on Kuznets theory is that Kuznets theory it hard to apply in this era. Since there are many economic policies that help the inequality in the countries and it is hard to happen suddenly without the sign and warning.

On the afternoon class is conducted by Ajarn. Chayanee and my reaction on “Asia development of economic” the interesting point is that the graph that shows the economic growth of SEA from 1990 to 2014. Which there had a two significantly drop. The first one is happen in 1997 to 1998 which is the “Tom-yum-goong crisis” which is start in Thailand. Where by Thailand try to make the monetary trinity and has fail by many factor so at the end

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many retail business and institution is in bankrupt. And the second drop is from the United state of America which is “ Subprime crisis ” where there are so many mortgage in the counties and many big financial institution has bailout. My reaction is that Thailand has been very good to solve the crisis and find to policy that help the county to recover less than a year and Thailand should be in the list of Asia tigers if we have the stable politic.

On the morning class, the lesson is about “ Industrial Policy and CLMV Economy ” by Ajarn. Laurids S. Lauridsen , Start with the first topic Strategic industrial policy it is the policy that help support in industries sector since most of the developing countries. Industries sector is always drive the economic growth behind service sectors. The Strategic industrial (SIP) policy can divide into 3 policies 1.) Industrial diversification it is “you become what you export” but make more advance and promote many sector in industries field 2.) Industrial deepening it is creation local linkages and complementarities 3.) Industrial Upgrading it is aimed to be more upgrading in that specific sector in more advance and competitive.

However, my reaction on the industries policy is that industries policy will likely lead to market failure where by the Neo - classical economist has give the example of “ Non – efficient allocation of resources ” like when private sector has promote by the government , the private sector tend have the moral hazard behavior and maximize private benefit to exceed the social cost and for this problem it lead to the other problem like “ Negative externalities ” where the industries will release the pollution which it give the bad effect to the society but the matter of fact that some company will choose the county that have weak regulation so they can release the pollution for long period of time. Moreover , the third factors that I think it cause the market failure is “ Picking Winner ” it is the action that government will promote the specific sectors and the well know case is “Pasco” steel company where it is the main sector that drive Korean economy to equivalent to japan. There have only a few evident of successful case but there are many case that fail and tend to slow down the economy ,Since industries policy required huge amount of capital and has a long period of time to break even, there is other risk like Competitor in other countries , the tariff and technology factors that also been involve as well.

In conclusion, I think that on the promote industries sector by use industries policy there are pros and cons to this, on we can say that it is high risk ,high return. For example , if we success we will have the massive gain but ,if we fail the GDP and economy will surely slowdown and for that if it happen in the low income country this could be turning point to bankrupt. Since this process required huge among of capital.